



# COD Processing Update

March 9, 2012

## NEWS/UPDATES

- **Reminder: 2009-2010 Pell Grant CFL Reduction to G5 Net Drawdowns (03/09/12)**

Federal Student Aid recently sent schools a warning message about the upcoming 2009-2010 Pell Grant Current Funding Level (CFL) reduction that will occur on March 15, 2012. As explained in the [February 22, 2012 Electronic Announcement](#), this reduction will occur if the CFL amount in the COD System exceeds the G5Net Drawdowns.

Federal Student Aid reminds schools of the importance of reconciling reported disbursements with cash drawdowns to ensure the two amounts are in agreement. In addition to the general responsibility schools have to accurately report and update disbursement information, doing so will ensure that the most accurate and complete information is considered as Federal Student Aid calculates the Lifetime Eligibility Used (LEU) based on the recent legislative changes.

Please review the student level disbursement data and confirm its accuracy. A school does not need administrative relief to report downward disbursement adjustments. If the disbursement data is accurate, then the school should request the funds in G5 before the funds are deobligated on March 15, 2012.

- **Financial Award Number is Changing, but Financial Award ID Not Changing (03/09/12)**

Federal Student Aid recently posted operational guidance related to the COD System implementation for the 2012-2013 Award Year in a [March 2, 2012 Electronic Announcement](#).

As noted in the attachment to the announcement, the Financial Award Number is one of several tags in which the COD System will no longer include leading zeros when the tag is returned in COD System-generated response files.

**Note:** A school does not need to change the value in the Financial Award Number tag on records sent to the COD System. In addition, this change **does not** impact the Financial Award ID tag. The valid value for the Financial Award ID remains 21-characters in length.

If you have questions, please contact the COD School Relations Center.

- **2009-2010 ACG CFL Reduction To G5 Net Drawdown Warning Message (03/06/12)**

At this time, all Academic Competitiveness Grant (ACG) funds for the 2009-2010 Award Year should have been disbursed to students. In general, schools are to submit ACG disbursements to the Department of Education (the Department) no later than 30 days after making an actual disbursement or becoming aware of the need to adjust a student's previously reported disbursement. Accordingly, disbursements and disbursement adjustments for the 2009-2010 Award Year should have already been submitted to the Common Origination and Disbursement (COD) System for processing.

### **2009-2010 CFL Reduction to G5 Net Drawdown Warning Message Sent on March 05, 2012**

On March 05, 2012, Federal Student Aid sent a message to schools that have a G5 ACG authorization, known in the COD System as Current Funding Level (CFL), for the 2009-2010 Award Year that is greater than their Net Drawdown amount reflected in the COD System and in G5. The message warns an affected school that its 2009-2010 ACG CFL will be reduced to the G5 Net Drawdown if the CFL is still greater than the G5 Net Drawdown on March 14, 2012.



When the actual reduction occurs on March 14th, the school will have a reduced authorization in G5 and will receive an Electronic Statement of Account (ESOA) that reflects the revised authorization.

Federal Student Aid sent the March 05, 2011 warning message to an affected school's Student Aid Internet Gateway (SAIG) mailbox in the message class AGTX100P. A school that receives the warning message should review its internal records and its CFL, G5 Net Drawdown, and Net Accepted and Posted Disbursements (NAPD) reflected in the COD System as soon as possible. The school should submit all outstanding downward disbursement adjustments to the COD System and/or request any outstanding drawdown from G5 for the 2009-2010 Award Year as soon as possible but before March 14, 2012.

This same information is posted in a [March 6, 2012 Electronic Announcement](#) on the Information for Financial Aid Professionals (IFAP) Web site. If you have questions about the 2009-2010 ACG CFL reduction to G5 Net Drawdown, contact the COD School Relations Center.

- **FY 2009 3-Year Draft Cohort Default Rates Distributed March 5, 2012 (03/06/12)**

On the morning of Monday, March 5, 2012, Federal Student Aid distributed the FY 2009 Draft Cohort Default Rate notification packages to all eligible domestic and foreign schools. For complete information about the FY 2009 3-Year Draft Cohort Default Rates, refer to [the March 5, 2012 Electronic Announcement](#) posted on the IFAP Web site.

- **Preliminary Information – COD System Implementation Plans for the 2012-2013 Award Year (02/29/12)**

Federal Student Aid is aware of the community's questions about the Common Origination and Disbursement (COD) System's readiness for award processing for the 2012-2013 Award Year. In an Electronic Announcement posted to the Information for Financial Aid Professionals (IFAP) Web site, Federal Student Aid clarifies its implementation plans for the COD System for the 2012-2013 Award Year.

For complete information about the COD System implementation plans for the 2012-2013 Award Year, refer to [the February 28, 2012 Electronic Announcement](#) posted on the IFAP Web site.

- **2009-2010 Pell Grant CFL Reduction to G5 Net Drawdown Warning Message (02/22/12)**

At this time, all Federal Pell Grant (Pell Grant) funds for the 2009-2010 Award Year should have been disbursed to students. In general, schools are to submit Pell Grant disbursements to the Department of Education (the Department) no later than 30 days after making an actual disbursement or becoming aware of the need to adjust a student's previously reported disbursement. Accordingly, disbursements and disbursement adjustments for the 2009-2010 Award Year should have already been submitted to the Common Origination and Disbursement (COD) System for processing.

### **2009-2010 CFL Reduction to G5 Net Drawdown Warning Message Sent on February 21, 2012**

On February 21, 2012, Federal Student Aid sent a message to schools that have a G5 Pell Grant authorization, known in the COD System as Current Funding Level (CFL), for the 2009-2010 Award Year that is greater than their Net Drawdown amount reflected in the COD System and in G5. The message warns an affected school that its 2009-2010 Pell Grant CFL will be reduced to the G5 Net Drawdown if the CFL is still greater than the G5 Net Drawdown on March 15, 2012. When the actual reduction occurs on March 15<sup>th</sup>, the school will have a reduced authorization in G5 and will receive an Electronic Statement of Account (ESOA) that reflects the revised authorization.

Federal Student Aid sent the February 21, 2012 warning message to an affected school's Student Aid Internet Gateway (SAIG) mailbox in the message class PGTX100P. A school that receives the warning message should review its internal records and its CFL, G5 Net Drawdown, and Net Accepted and Posted Disbursements (NAPD) reflected in the COD System as soon as possible. The school should submit all outstanding downward disbursement



adjustments to the COD System and/or request any outstanding drawdown from G5 for the 2009-2010 Award Year as soon as possible but before March 15, 2012.

This same information is posted in a [February 22, 2012 Electronic Announcement](#) on the Information for Financial Aid Professionals (IFAP) Web site. If you have questions about the 2009-2010 Pell Grant CFL reduction to G5 Net Drawdown, contact the COD School Relations Center.

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## CURRENT ISSUES

### DIRECT LOANS

#### COD Reject Edit 39 Returned Incorrectly in Some Situations (02/20/12)

Federal Student Aid has determined an issue in which COD Reject Edit 39 (Incorrect Award Amount) is being returned incorrectly in certain situations. This issue occurs when a borrower has received Direct Unsubsidized Loan awards at a different school and the first school submitted a Direct Unsubsidized Loan award with the Additional Unsubsidized Indicator set to "True," but the second school does not. The second school receives COD Reject Edit 39 when submitting disbursements, because the COD System is not evaluating all Direct Loan awards for the Additional Unsubsidized Indicator.

Federal Student Aid plans to correct this issue on March 10, 2012. In the meantime, schools should submit the Additional Unsubsidized Indicator as "True" and the record will accept. If a school is still in need of assistance, contact the COD School Relations Center.

Federal Student Aid apologizes for any inconvenience this issue may cause.

### GRANTS

There are no Grant specific issues to report at this time.

### REMINDERS

#### COD Batch Processing Suspension and Web Site Outages March 9-10, 2012 (03/02/12)

During the period March 9-10, 2012, Federal Student Aid plans to implement Common Origination and Disbursement (COD) System functionality that supports the processing of Iraq and Afghanistan Service Grant,

Federal Pell Grant (Pell Grant), Teacher Education Assistance for College and Higher Education (TEACH) Grant, and William D. Ford Federal Direct Loan (Direct Loan) awards for the 2012-2013 Award Year.

Federal Student Aid will post an Electronic Announcement on the [Information for Financial Aid Professionals \(IFAP\) Web site](#) that provides operational implementation guidance related to the new functionality.

#### COD Batch Processing Suspension and Web Site Outage Information

To install the additional COD System functionality, we will suspend COD batch processing beginning at 8:00 P.M. (ET) on Friday, March 9, 2012. Records submitted after this time will be held and processed after 8:00 P.M. (ET) on Saturday, March 10, 2012.

**Note:** All actual disbursements with a disbursement date from March 9, 2012 through March 10, 2012 must be received by the COD System **no later than 9:00 AM (ET) on Friday, March 9, 2012**, and subsequently accepted by the COD System, in order for them to be included in the drawdown prior to the outage. Disbursements submitted by the deadline but not subsequently accepted, disbursements submitted after the deadline, and disbursements with a disbursement date after March 10, 2012 will be processed and funded after the outage.

In addition, between 8:00 P.M. (ET) on Friday, March 9, 2012 and 8:00 P.M. (ET) on Saturday, March 10, 2012—

- Users will not be able to submit or retrieve data via the [COD Web site](#).
- Users will not be able to access the COD Reports area of the [COD Web site](#).
- An individual will not be able to complete online Direct Loan Entrance Counseling, complete a new Master Promissory Note (MPN)



electronically, complete a Direct PLUS Loan Request electronically, endorse a Direct PLUS Loan electronically, or view loan correspondence via the [StudentLoans.gov Web site](#).

- An individual will not be able to complete TEACH Grant Initial and Subsequent Counseling, complete a new TEACH Grant Agreement to Serve (ATS), or retrieve an existing ATS via the [TEACH Grant Web site](#).

**Note:** The COD System will undergo routine maintenance on Sunday, March 11, 2012 from 5:00 A.M. (ET) until 11:00 A.M. (ET). During this period, batch processing and Web site availability will again be impacted.

Federal Student Aid apologizes for this inconvenience and appreciates your understanding and patience while it completes this important activity.

### COD Computer-Based Training (03/09/12)

Federal Student Aid takes this opportunity to remind the community of the availability of the COD Computer-Based Training (CBT).

The COD CBT consists of component simulations and CBTs. The electronic files associated with each component, as well as information about downloading and navigating the COD CBT, are available on the Information for Financial Aid Professionals (IFAP) Web site. Under the "Tools for Schools" section on the home page, click on [COD Computer-Based Training](#).

### Sending Addresses for U.S. Territories and Foreign Countries on the Common Record or the COD Web site (03/09/12)

When submitting student or borrower addresses or address changes to the Common Origination and Disbursement (COD) System, it is important that the correct tags are used, particularly when the student or borrower address is located in a U.S. Territory or Foreign Country. If these addresses are not submitted correctly, important correspondence from the COD

System and the federal loan servicers is delayed or not received.

- When a student or borrower address is located in a U.S. Territory it is considered a domestic address. Do not submit a Country Code.
- When a student or borrower address is located in a Foreign Country, it is treated as a foreign address.

See below for the correct procedures for submitting U.S. Territories and Foreign Country addresses via the Common Record batch submission or COD Web site.

### Submitting Addresses for U.S. Territories and Foreign Countries via the Common Record

When creating or updating a person record via the Common Record batch submission, a school should send the address block with the following tags:

Schema Version	Included Tags for Domestic Address, including U.S. Territories	Excluded Tags for Domestic Address, including U.S. Territories	Included Tags for Foreign Addresses
3.0c or 3.0d	<AddressLine> <City> <StateProvinceCode> <PostalCode>	<StateProvince> <CountryCode>	<AddressLine> <City> <StateProvince> (Optional) <PostalCode> (Optional) <CountryCode>



## **Submitting Addresses for U.S. Territories and Foreign Countries via the COD Web site**

When creating or updating a person record on the COD Web site, a school should select the U.S. Territory from the dropdown box in the State/Province field. A school should select the Country field as “Blank”.

A complete list of State Codes (including U.S. Territories), Jurisdictions, and Country Codes are provided in Volume VI, Section 4 of the [2010-2011 COD Technical Reference](#). If you have questions about this information, contact the COD School Relations Center.